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Securities Code: 8563

June 3, 2019

To our shareholders:

Takao Suzuki
Director and President
THE DAITO BANK, LTD.
19-1, Nakamachi, Koriyama City, Fukushima

NOTICE OF CONVOCATION OF THE 114TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 114th Annual General Meeting of Shareholders of THE DAITO BANK, LTD. (the "Bank"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing by submitting the Voting Rights Exercise Form. Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter) and exercise your voting rights by indicating your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it so that it arrives by 5:00 p.m. Thursday, June 20, 2019 (JST).

- 1. Date and Time:** Friday, June 21, 2019, at 10:00 a.m. (JST)
- 2. Place:** 6F, Main Conference Room, Head Office of the Bank
19-1, Nakamachi, Koriyama City, Fukushima

3. Meeting Agenda:

Matters to be reported:

1. The Business Report and Non-consolidated Financial Statements for the Bank's 114th Fiscal Year (from April 1, 2018 to March 31, 2019)
2. Consolidated Financial Statements for the Bank's 114th Fiscal Year (from April 1, 2018 to March 31, 2019) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Election of Nine (9) Directors
Proposal No. 3: Election of Two (2) Corporate Auditors

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form to the reception desk. Please also bring this Convocation Notice when attending the meeting.
- Of the documents to be provided with this Convocation Notice, the following items are omitted as they are posted on the Bank's website (<https://www.daitobank.co.jp/>) in accordance with laws and regulations and Article 15 of the Articles of Incorporation of the Bank:
 - 1) Non-consolidated Statement of Changes in Shareholders' Equity
 - 2) Notes to Non-consolidated Financial Statements
 - 3) Consolidated Statement of Changes in Shareholders' Equity
 - 4) Notes to Consolidated Financial Statements
- The documents provided with this Convocation Notice are a part of the Non-consolidated Financial Statements and Consolidated Financial Statements audited by the Accounting Auditor in preparing its audit reports, as well as a part of the Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements audited by Corporate Auditors in preparing their audit reports.
- Any updates to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements will be posted on the Bank's website (<https://www.daitobank.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

The Bank proposes the appropriation of surplus as follows.

1. Matters concerning year-end dividends

With regard to the year-end dividends for the 114th fiscal year, comprehensively taking into account continuing to provide stable dividends and the business results of the Bank for the fiscal year under review, the Bank proposes as follows.

In addition, internal reserves will continue to be used efficiently for effective investments, etc., in order to enhance the Bank's operational foundations and strengthening the management structure.

(1) Dividend asset type

Cash

(2) Matters concerning the allotment of dividend property to shareholders and the total amount

30 yen per share of common stock, for a total of 380,209,800 yen

(3) Effective date of distribution of surplus

June 24, 2019

2. Other matters concerning the appropriation of surplus

(1) Item and the amount of surplus to be increased

General reserve 800,000,000 yen

(2) Item and amount of surplus to be decreased

Retained earnings brought forward 800,000,000 yen

Proposal No. 2: Election of Nine (9) Directors

The terms of office of all nine (9) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. In that regard, the Bank proposes the election of nine (9) Directors.

The candidates are as follows:

No.	Name		Positions and roles at the Bank
1	Takao Suzuki	Reelection	Director and President (Representative Director), in charge of Audit Division
2	Yasuhiro Oka	Reelection	Managing Director (Representative Director), in charge of Credit Division and Securities and International Division
3	Kenichi Miura	Reelection	Managing Director (Representative Director), General Manager of Corporate Planning Division, in charge of Corporate Planning Division and General Affairs Division
4	Ryo Haga	Reelection	Director and General Manager of Operation and Banking systems Division, in charge of Operation and Banking systems Division
5	Mitsuo Furukawa	Reelection	Director and General Manager of Business Promotion Division, in charge of Business Promotion Division and Business Planning Division
6	Hiroshi Murakami	Reelection	Director and General Manager of Head Office
7	Hiroaki Osato	Reelection	Director and General Manager of Securities and International Division
8	Yoshihiro Kasama	Reelection Outside Independent	Outside Director
9	Toshinobu Ono	Reelection Outside Independent	Outside Director

No.	Name (Date of birth)	Past experience, positions, and roles at the Bank, and significant concurrent positions	Number of shares of the Bank held
1	Takao Suzuki (November 15, 1953) Reelection	Apr. 1976 Joined the Bank Feb. 1996 General Manager of Uneme Branch Mar. 1998 Deputy General Manager of Head Office Business Division Apr. 2001 General Manager of Nihonmatsu Branch Mar. 2003 Asahi Area Manager and General Manager of Asahi Branch June 2004 Managing Director June 2008 Senior Managing Director June 2010 Director and President (Representative Director) To the present Roles: Audit Division	10,100 shares
		<p><Reasons for nomination as a candidate for Director> Mr. Suzuki possesses a wealth of business knowledge and experience through his services as Branch General Manager, and since becoming Managing Director in 2004, he has amassed abundant management experience through holding positions as Senior Managing Director. Therefore, the Bank believes that he is capable of conducting the Bank's business management in an accurate, fair, and efficient manner, and thus has nominated him for another term as a candidate for Director.</p>	
2	Yasuhiro Oka (November 30, 1955) Reelection	Apr. 1974 Joined the Bank Mar. 1999 General Manager of Ishikawa Branch Apr. 2001 General Manager of Kawamata Branch Mar. 2003 General Manager of Shirakawa Branch June 2004 General Manager of Credit Management Division July 2008 Executive Officer and General Manager of Credit Division June 2010 Director and General Manager of Credit Division June 2013 Managing Director (Representative Director) To the present Roles: Credit Division, Securities and International Division	2,900 shares
		<p><Reasons for nomination as a candidate for Director> Mr. Oka possesses a wealth of business knowledge and experience through his services as Branch General Manager and General Manager of Credit Management Division and Credit Division, and since becoming a Director in 2010, he has amassed abundant management experiences. Therefore, the Bank believes that he is capable of conducting the Bank's business management in an accurate, fair, and efficient manner, and thus has nominated him for another term as a candidate for Director.</p>	

No.	Name (Date of birth)	Past experience, positions, and roles at the Bank, and significant concurrent positions	Number of shares of the Bank held
3	Kenichi Miura (January 26, 1958) Reelection	Apr. 1980 Joined The Long-Term Credit Bank of Japan, Limited (currently Shinsei Bank, Limited) July 2008 General Manager of Fukuoka Branch of Shinsei Bank, Limited Nov. 2010 Seconded to the Bank from Shinsei Bank, Limited Executive Officer and General Manager of Corporate Planning Division June 2012 Director and General Manager of Corporate Planning Division July 2012 Director and General Manager of Business Planning Division July 2014 Director and General Manager of Corporate Planning Division Aug. 2015 Director, General Manager of Banking systems Division, and General Manager of Operation Division June 2016 Managing Director (Representative Director), General Manager of Banking systems Division, and General Manager of Operation Division July 2017 Managing Director (Representative Director) and General Manager of Head Office Apr. 2019 Managing Director (Representative Director), General Manager of Corporate Planning Division To the present Roles: Corporate Planning Division, General Affairs Division	2,300 shares
<Reasons for nomination as a candidate for Director> Mr. Miura possesses a wealth of business knowledge and experience through his services as Branch General Manager at a major bank and serving as General Manager at the Bank's Corporate Planning Division, Business Planning Division, Banking systems Division and Operation Division, and Head Office, and since becoming Director in 2012, he has amassed abundant management experiences. Therefore, the Bank believes that he is capable of conducting the Bank's business management in an accurate, fair, and efficient manner, and thus has nominated him for another term as a candidate for Director.			

No.	Name (Date of birth)	Past experience, positions, and roles at the Bank, and significant concurrent positions	Number of shares of the Bank held
4	Ryo Haga (May 14, 1962) Reelection	<p>Apr. 1986 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>Feb. 2009 Deputy General Manager of Operation Planning Division of Mizuho Bank, Ltd.</p> <p>Jan. 2011 General Manager of Fukuoka Branch and General Manager of Fukuoka Branch Division 1 of Mizuho Bank, Ltd.</p> <p>Aug. 2013 Seconded to the Bank from Mizuho Bank, Ltd. Executive Officer and General Manager of Business Planning Division of the Bank</p> <p>June 2014 Director and General Manager of Business Planning Division</p> <p>July 2015 Director, General Manager of Business Planning Division, and General Manager of Personal Loan Division</p> <p>July 2017 Director and General Manager of Operation and Banking systems Division To the present</p> <p>Roles: Operation and Banking systems Division</p>	1,100 shares
<p><Reasons for nomination as a candidate for Director> Mr. Haga possesses a wealth of business knowledge and experience through his services as Branch General Manager at a major bank and serving as General Manager of the Bank's Business Planning Division, Personal Loan Division, and Operation and Banking systems Division, and since becoming Director in 2014, he has amassed abundant management experiences. Therefore, the Bank believes that he is capable of conducting the Bank's business management in an accurate, fair, and efficient manner, and thus has nominated him for another term as a candidate for Director.</p>			
5	Mitsuo Furukawa (June 10, 1961) Reelection	<p>Apr. 1984 Joined the Bank</p> <p>July 2002 General Manager of Tsurumidan Branch</p> <p>July 2005 Koriyama A Area Manager, General Manager of Houhaccho Branch, and General Manager of Koharada Branch</p> <p>July 2008 Iwaki Area Manager and General Manager of Taira Branch</p> <p>July 2010 Northern Area Manager and General Manager of Fukushima Branch</p> <p>June 2012 Executive Officer, Northern Area Manager, and General Manager of Fukushima Branch</p> <p>July 2013 Executive Officer, General Manager of Credit Division, and General Manager of Credit Management Division</p> <p>July 2014 Executive Officer and General Manager of Head Office</p> <p>June 2016 Director and General Manager of Head Office</p> <p>July 2017 Director and General Manager of Business Promotion Division To the present</p> <p>Roles: Business Promotion Division, Business Planning Division</p>	2,300 shares
<p><Reasons for nomination as a candidate for Director> Mr. Furukawa possesses a wealth of business knowledge and experience through his services as Branch General Manager, General Manager of Credit Division and Credit Management Division, General Manager of Head Office, and General Manager of Business Promotion Division, and since becoming a Director in 2016, he has been appropriately fulfilling his duties. Based on the experience and knowledge, the Bank believes that he is capable of conducting the Bank's business management in an accurate, fair, and efficient manner, and thus has nominated him for another term as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, and roles at the Bank, and significant concurrent positions	Number of shares of the Bank held
6	Hiroshi Murakami (September 30, 1961) Reelection	<p>Apr. 1984 Joined the Bank</p> <p>Mar. 2003 General Manager of Hiwada Branch</p> <p>July 2005 General Manager of Tokyo Branch and General Manager of Tokyo Office</p> <p>July 2007 Koriyama C Area Manager and General Manager of Asaka Branch</p> <p>July 2010 Iwaki Area Manager and General Manager of Taira Branch</p> <p>June 2013 Executive Officer, Iwaki Area Manager, General Manager of Taira Branch and Kabeya Branch</p> <p>July 2013 Executive Officer, Northern Area Manager, General Manager of Fukushima Branch and Fukushima Minami Branch</p> <p>June 2016 Director, Northern Area Manager, General Manager of Fukushima Branch and Fukushima Minami Branch</p> <p>July 2016 Director and General Manager of Corporate Planning Division</p> <p>Apr. 2019 Director and General Manager of Head Office To the present</p>	3,900 shares
<p><Reasons for nomination as a candidate for Director></p> <p>Mr. Murakami possesses a wealth of business knowledge and experience through his services as Branch General Manager, General Manager of Tokyo Branch, General Manager of Tokyo Office, and General Manager of Corporate Planning Division, and since becoming Director in 2016, he has been appropriately fulfilling his duties. Based on the experience and knowledge, the Bank believes that he is capable of conducting the Bank's business management in an accurate, fair, and efficient manner, and thus has nominated him for another term as a candidate for Director.</p>			
7	Hiroaki Osato (December 26, 1957) Reelection	<p>Apr. 1981 Joined the Bank</p> <p>Apr. 2001 Deputy Manager of Securities and International Division</p> <p>Mar. 2003 Deputy Manager of General Planning Division</p> <p>June 2004 Deputy Manager of Corporate Planning Division</p> <p>July 2005 Deputy General Manager of Corporate Planning Division</p> <p>July 2008 General Manager of Securities and International Division</p> <p>June 2013 Executive Officer and General Manager of Securities and International Division</p> <p>June 2017 Director and General Manager of Securities and International Division To the present</p>	2,700 shares
<p><Reasons for nomination as a candidate for Director></p> <p>Mr. Osato possesses a wealth of business knowledge and experience through his services as Deputy General Manager of Corporate Planning Division and General Manager of Securities and International Division, and since becoming Director in 2017, he has been appropriately fulfilling his duties. Based on the experience and knowledge, the Bank believes that he is capable of conducting the Bank's business management in an accurate, fair, and efficient manner, and thus has nominated him for another term as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, and roles at the Bank, and significant concurrent positions	Number of shares of the Bank held
8	Yoshihiro Kasama (August 10, 1952) Reelection Outside Director Independent Officer	Nov. 1987 Passed the bar examination Apr. 1990 Registered as an attorney-at-law (TOKYO BAR ASSOCIATION) Joined Shimizu Kiyoshi Law Office Apr. 1992 Resigned from Shimizu Kiyoshi Law Office Changed registration to Fukushima Bar Association and established Kasama Law Office June 2008 Corporate Auditor of the Bank June 2015 Outside Director To the present Significant concurrent positions outside the Company Attorney at law	120 shares
<p><Reasons for nomination as a candidate for Outside Director> Mr. Kasama possesses a wealth of experience in the legal profession as well as a high level of acumen as a legal specialist, and thus the Bank has nominated him for another term as Outside Director based on the judgment that he is capable of aptly executing his duties, such as providing accurate advice toward the Bank's general management from his wide-ranging perspective.</p>			
9	Toshinobu Ono (September 7, 1953) Reelection Outside Director Independent Officer	July 1978 Joined Koriyama City Office Apr. 2009 Chief of the Secretariat of the City Council May 2011 General Manager of Finance Department Apr. 2012 General Manager of General Affairs Department Mar. 2014 Resigned from Koriyama City Office Apr. 2014 Superintendent of Waterworks of Koriyama City Apr. 2017 Superintendent of Waterworks and Sewage Works of Koriyama City Mar. 2018 Retired from office due to expiration of terms of office June 2018 Outside Director of the Bank To the present	1,000 shares
<p><Reasons for nomination as a candidate for Outside Director> Based on Mr. Ono's knowledge, experience, etc., gained from his years in government service, the Bank has nominated him for another term as Outside Director based on the judgment that he is capable of aptly executing his duties, such as providing accurate advice toward the Bank's general management from his wide-ranging perspective.</p>			

- (Notes)
- There is no special interest between each candidate for Director and the Bank.
 - Candidates for Director Yoshihiro Kasama and Toshinobu Ono are candidates for Outside Director. The Bank has appointed Messrs. Yoshihiro Kasama and Toshinobu Ono as Independent Officers prescribed by Tokyo Stock Exchange and submitted a notification of the appointment to the same Exchange.
 - Matters concerning the candidates for Outside Directors are as shown below.
 - Regarding the number of years since the Outside Director candidates assumed the position of Outside Director
Yoshihiro Kasama currently serves as an Outside Director of the Bank. His term of office as Outside Director will be four (4) years at the conclusion of this year's Annual General Meeting of Shareholders.
Toshinobu Ono currently serves as an Outside Director of the Bank. His term of office as Outside Director will be one (1) year at the conclusion of this year's Annual General Meeting of Shareholders.
 - Limited liability agreements with Outside Directors
The Bank has stipulated in the Articles of Incorporation to allow for the conclusion of agreements with Outside Directors that limit their liability for damages to a certain range so that they can fully perform their expected roles. If the reelection of Yoshihiro Kasama and Toshinobu Ono is approved as proposed, the Bank plans to renew the agreement that limits their liability for damages set forth in Article 423, paragraph 1 of the Companies Act pursuant to the provisions of Article 427, paragraph 1 of the said act. The liability limitation agreement defines that if an Outside Director is held liable for damages due to negligence of duties, he/she will be responsible for such liability to the extent of the minimum liability amount set forth in laws and regulations or one (1) million yen, whichever is greater.

Proposal No. 3: Election of Two (2) Corporate Auditors

The terms of office of Corporate Auditors Bunsaku Akutsu and Mika Matsumoto will expire at the conclusion of this Annual General Meeting of Shareholders. In that regard, the Bank proposes the election of two (2) Corporate Auditors. The Board of Corporate Auditors has previously given its approval to this proposal.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Bank held
1	Mika Matsumoto (February 3, 1974) Reelection Outside Corporate Auditor Independent Officer	Apr. 2000 Registered as an attorney-at-law (Daini Tokyo Bar Association) Joined Sakuragaoka Law Office Apr. 2001 President, Monbetsu-himawari-law Office (Asahikawa Bar Association) Sept. 2006 Visiting Scholar (dispatched by JFBA), University of California, Berkeley Sept. 2007 Member, Soma-himawari-law Office (Fukushima Bar Association) Sept. 2010 Established Hamadori Law Office (Iwaki City, Fukushima Prefecture) June 2015 Outside Corporate Auditor of the Bank To the present Significant concurrent positions outside the Company Attorney at law	100 shares
<p><Reasons for nomination as a candidate for Outside Corporate Auditor> Based on Ms. Matsumoto's knowledge and experience gained from her years as an attorney, the Bank has judged that she is capable of aptly executing her duties as an Outside Corporate Auditor, such as expressing her auditor's opinion objectively from an independent and neutral position.</p>			
2	Hiroyuki Kanno (December 15, 1954) New election Outside Corporate Auditor Independent Officer	Apr. 1978 Joined Fukushima Prefectural Government Apr. 2005 Secretary of Finance Group Apr. 2007 General Manager of General Affairs Department Apr. 2009 Member of the Board (In charge of general/financial affairs) and Head of the Secretariat of The Public University Corporation, The University of Aizu June 2011 Accounting Manager and Treasurer of Fukushima Prefectural Government Apr. 2012 General Manager of Health and Welfare Department Mar. 2014 Resigned from Fukushima Prefectural Government Apr. 2014 Representative Director and Manager of Fukushima Training Center For Local Officers Mar. 2018 Resigned from Fukushima Training Center For Local Officers To the present	0 shares
<p><Reasons for nomination as a candidate for Outside Corporate Auditor> Mr. Kanno has been involved in both financial and general business domains through his employment at the Fukushima Prefectural Office, and possesses a wealth of experience, knowledge and discernment that can be utilized in banking services as well. Based on his experience and expertise, the Bank has judged that he is capable of aptly executing his duties as an Outside Corporate Auditor, such as expressing his auditor's opinion objectively from an independent and neutral position.</p>			

- (Notes)
1. There is no special interest between each candidate for Corporate Auditor and the Bank.
 2. Candidates for Corporate Auditors Mika Matsumoto and Hiroyuki Kanno are candidates for Outside Corporate Auditors. The Bank has appointed Mika Matsumoto as an Independent Officer prescribed by Tokyo Stock Exchange and submitted a notification of the appointment to the same Exchange. The Bank also plans to appoint Hiroyuki Kanno as an Independent Officer prescribed by Tokyo Stock Exchange and submit notification to the same exchange.
 3. Mika Matsumoto currently serves as an Outside Corporate Auditor of the Bank. Her term of office as Corporate Auditor will be four (4) years at the conclusion of this year's Annual General Meeting of Shareholders.

4. The Bank has stipulated in the Articles of Incorporation to allow for the conclusion of agreements with Outside Corporate Auditors that limit their liability for damages to a certain range so that they can fully perform their expected roles. If the reelection of Mika Matsumoto is approved as proposed, the Bank plans to renew the agreement that limits her liability for damages set forth in Article 423, paragraph 1 of the Companies Act pursuant to the provisions of Article 427, paragraph 1 of the said act. If Hiroyuki Kanno is elected, the Bank plans to enter into the same limited liability agreement with him. The liability limitation agreement defines that if an Outside Corporate Auditor is held liable for damages due to negligence of duties, he/she will be responsible for such liability to the extent of the minimum liability amount set forth in laws and regulations or one (1) million yen, whichever is greater.
5. With regard to Mika Matsumoto, her name is recorded in her family register as Mika Watanabe, but addressed here by the name that she uses for business.